

HOUSE No. 337**The Commonwealth of Massachusetts**

PRESENTED BY:

Lida E. Harkins

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing the Massachusetts Opportunity Rebuilding and Expansion infrastructure program.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Lida E. Harkins	13th Norfolk
Richard T. Moore	
Kevin Aguiar	7th Bristol
John V. Fernandes	10th Worcester
John D. Keenan	7th Essex
Michael J. Rodrigues	8th Bristol
Ms. Menard	First Bristol and Plymouth
Mr. Morrissey	Norfolk and Plymouth
Barry R. Finegold	17th Essex
Harriette L. Chandler	First Worcester
Patricia A. Haddad	5th Bristol
Viriato Manuel deMacedo	1st Plymouth
James H. Fagan	3rd Bristol
Antonio F.D. Cabral	13th Bristol
Garrett J. Bradley	3rd Plymouth
Stephen R. Canessa	12th Bristol
Charles A. Murphy	21st Middlesex
Bruce E. Tarr	First Essex and Middlesex
David B. Sullivan	6th Bristol
Carlo P. Basile	1st Suffolk

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT ESTABLISHING THE MASSACHUSETTS OPPORTUNITY REBUILDING AND EXPANSION INFRASTRUCTURE PROGRAM.

Whereas, The deferred operation for this act would tend to defeat its purpose, which is forthwith to make to provide for infrastructure and economic investments in the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. The General Laws are hereby amended by inserting after Chapter 23J the following chapter: -- CHAPTER 23K. MORE INFRASTRUCTURE PROGRAM

Section 1. As used in this chapter, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

“Agency”, the Massachusetts Development Finance Agency established pursuant to section 2 of chapter 23G of the General Laws, as amended from time to time.

“Amended improvement plan” a plan describing any change to the improvement plan with respect to the boundaries of a development zone, or material change to the method of assessing costs, description of improvements, the maximum cost of the improvements, or method of financing the improvements that is approved through the same procedures as the original improvement plan adopted pursuant to this chapter.

“Assessing party”, shall mean the municipality, or other public instrumentality, as identified in the improvement plan to assess any infrastructure assessments in the development zone.

14 “Cost”, shall include the cost of: (a) construction, reconstruction, renovation, demolition,
15 maintenance and acquisition of all lands, structures, real or personal property, rights, rights-of-
16 way, utilities, franchises, easements, and interests acquired or to be acquired by the public
17 facilities owner; (b) all labor and materials, machinery and equipment including machinery and
18 equipment needed to expand or enhance services from the municipality, the commonwealth or
19 any other political subdivision thereof to the development zone; (c) financing charges and
20 interest prior to and during construction, and for 1 year after completion of the improvements,
21 interest and reserves for principal and interest, including costs of municipal bond insurance and
22 any other type of credit enhancement or financial guaranty and costs of issuance; (d) extensions,
23 enlargements, additions, and enhancements to improvements; (e) architectural, engineering,
24 financial and legal services; (f) plans, specifications, studies, surveys and estimates of costs and
25 of revenues; (g) administrative expenses necessary or incident to the construction, acquisition,
26 and financing of the improvements; and (h) other expenses as may be necessary or incident to the
27 construction, acquisition, maintenance, and financing of the improvements.

28 “Development zone”, one or more parcels of real estate in the municipality described in the
29 improvement plan and to be benefited by the improvements and subject to infrastructure
30 assessments as described in the improvement plan.

31 “Infrastructure assessments”, assessments, betterments, special assessments, charges or fees as
32 described in this chapter and the improvement plan and assessed by the assessing party upon the
33 real estate within the development zone to defray the cost of improvements financed in
34 accordance with this chapter.

35 “Improvement plan”, a plan set forth in the petition for the establishment of a development zone
36 setting forth the proposed improvements, services and programs, revitalization strategy,
37 replacement and maintenance plan, the cost estimates for said improvements, and the
38 replacement and maintenance program, the identity of the public facilities owner or owners and
39 the administrator of the plan, the boundaries of the development zone, the analysis of any costs
40 of financing said improvements, the identification of the assessing party, the method and
41 structure of the infrastructure assessments, the selection of any or all of the assessing powers
42 listed in section 4 that shall be utilized by the assessing party within the development zone, the
43 description of the infrastructure development project within the development zone, the proposed
44 use of any bonds or notes to finance such project by the agency, the participation of the agency,
45 if any, in a district improvement financing program as described in section 7, and if so, a
46 description of any assessing powers to be utilized, and the estimates of the costs and expenses to
47 be levied and assessed on the real estate in the development zone.

48 “Improvements”, the acquiring, laying, constructing, improving and operating of capital
49 improvements to be owned by a public facilities owner, including, but not limited to, storm
50 drainage systems, dams, sewage treatment plants, sewers, water and well systems, roads, bridges,
51 culverts, tunnels, streets, sidewalks, lighting, traffic lights, signage and traffic control systems,
52 parking, including garages, public safety and public works buildings, parks, landscaping of
53 public facilities, cultural and performing arts facilities, recreational facilities, marine facilities
54 such as piers, wharfs, bulkheads and sea walls, transportation stations and related facilities,
55 shuttle transportation equipment, fiber and telecommunication systems, facilities to produce and

distribute electricity, including alternate energy sources such as co-generation and solar installations, the investigation and remediation associated with the cleanup of actual or perceived environmental contamination within the development zone in accordance with applicable governmental regulations and provided that no such investigation or remediation shall impair the rights of the public facilities owner or any other person to contribution or reimbursement from any potentially responsible party for the costs thereof, and other improvements; provided that improvements shall not include any improvements located in, or serving, so-called "gated communities", not including age restricted developments operated by non-profit organizations, that prohibit access to the general public and any type of improvement that is specifically prohibited in the United States internal revenue code from using tax-exempt financing.

"Infrastructure development project", the acquisition, construction, expansion, improvement or equipping of improvements serving any new or existing commercial, retail, industrial, or residential facilities or mixed use project.

"Massachusetts opportunity rebuilding and expansion infrastructure program", or "MORE infrastructure", a program established under this act, designed to finance infrastructure improvements benefiting existing and new residential, commercial and industrial properties and the citizens and businesses of the commonwealth.

"Municipal governing body", in a city, the city council with the approval of the mayor, and in a city having a Plan D or E form of charter, the city council with the approval of the city manager, the town council in a town with a town council form of government, or otherwise the town meeting and the board of selectmen in a town with a town meeting form of government, except that in the case of a town when a petition or petition submitted with an amended improvement plan, is signed by 100 percent of the persons owning real estate in the development zone, the board of selectmen shall constitute the municipal governing body and may also in connection with said petition, accept the provisions of this act.

"Municipality", a city or town, or cities and towns, if the development zone, is located in more than 1 municipality.

"Person", any natural or corporate person, including bodies politic and corporate, public departments, offices, agencies, authorities and political subdivisions of the commonwealth, corporations, trusts, limited liability companies, societies, associations, and partnerships and subordinate instrumentalities of any one or more political subdivisions of the commonwealth.

"Petition", the document initiating the creation of a development zone as described in section 2 (b).

"Project", an infrastructure development project.

"Public facilities owner", means the municipality, the commonwealth or any other political subdivision or public instrumentality, agency or public authority of the commonwealth, or any instrumentality thereof as defined by the United States internal revenue code and the regulations, rulings and other written determinations of the Internal Revenue Service thereunder, and

identified as such, in the improvement plan as the owner of the improvements described in an improvement plan or an amended improvement plan.

Section 2. (a) Each municipality in the commonwealth, acting through its municipal governing body, notwithstanding any general or special law, charter provision, by-law or ordinance to the contrary, may adopt this chapter and is authorized to establish 1 or more development zones pursuant to this chapter. In the event that 2 or more municipalities wish to jointly establish or consolidate contiguous development zones, the municipal governing body of each such municipality wherein said development zone shall be located, shall approve by a majority vote the petition for the establishment of such a development zone.

(b) The establishment of a development zone shall be initiated by the filing of a petition signed by a person or persons owning real estate within the proposed development zone in the office of the clerk of the municipality and the office of the agency. The petition, at a minimum, shall contain:

(1) a legal description of the boundaries of the development zone;

(2) the written consent to the establishment of the development zone or any amended improvement plan, by both (i) the persons with the record ownership of at least 80 percent of the acreage to be included in the development zone and (ii) persons owning at least 80 per cent of the tax parcels within the development zone; provided that any real estate owned by the commonwealth, or any agency, or any political subdivision thereof, included in the boundaries of the development zone shall not be included in the count of persons owning tax parcels or acreage in the development zone for the purposes of this clause;

(3) the name of the development zone;

(4) a map of the proposed development zone, showing its boundaries, and any current public improvements as are already in existence which may be added to or modified by any improvements;

(5) the estimated timetable for construction of the improvements and the maximum cost of completing said improvements;

(6) the improvement plan for the development zone; and

(7) the procedure by which the municipality will be reimbursed for any costs incurred by it in establishing the development zone, and for any administrative costs to be incurred in the administration and collection of any infrastructure assessments imposed within the development zone.

Section 3. (a) Upon receipt of a petition pursuant to section 2, the city council in the case of cities, the town council in the case of towns with a town council form of government or the board of selectmen in the case of a town with a town meeting form of government shall, within 60 days of said receipt, hold a public hearing on said petition. Written notification of such

hearing and a summary of the petition and the improvement plan, shall be provided by the clerk of the municipality to the record owner of each tax parcel within the boundaries of the proposed development zone no later than 14 days prior to such hearing, by mailing a notice to the address listed in the municipality's property tax records. Notification of the hearing shall also be published for 2 consecutive weeks in a newspaper of general circulation in the municipality, the first such publication to be at least 14 days prior to the date of such hearing. Such public notice shall state the proposed boundaries of the development zone, the improvements proposed to be provided in the development zone, the proposed basis for determining any infrastructure assessments with respect to such improvements, and the location or locations for viewing and copying the petition including the improvement plan.

(b) A public hearing pursuant to subsection (a) shall be held to determine if the petition satisfies the criteria of this chapter for a development zone, and to obtain public comment regarding the improvement plan and the effect that the development zone will have on the owners of real estate, tenants and other persons within said development zone, and on the municipality or adjacent communities. Within 45 days after the conclusion of said public hearing, the city manager with the approval of the city council in the case of a city under Plan D or E forms of government, the mayor with the approval of the city council in the case of all other cities, the town council in the case of towns with a town council form of government or otherwise the board of selectmen in the case of a town with a town meeting form of government shall issue recommendations on the petition; provided, however, that said recommendations shall include, but shall not be limited to, the following findings:-

(1) whether the establishment of the development zone is consistent with any applicable element or portion of any master plan of the municipality which shall be confirmed in writing by the municipality's planning board ; and

(2) whether the proposed improvements in the development zone will be compatible with the capacity and uses of existing local and regional infrastructure services and facilities.

(c) Within 21 days of the receipt of the recommendation required pursuant to subsection (b), the municipal governing body, or in the case of a town with a town meeting form of government, the next available town meeting, except that in the case of a petition in a town that is signed by all the persons owning parcels within the proposed development zone, the board of selectmen, without town meeting approval, shall vote on the petition to establish the development zone.

(d) Upon the approval of the petition by majority vote in accordance with subsection (c), notice of such approval shall be promptly filed with the records of the clerk of the municipality, the agency, and the secretary of the commonwealth. Upon such filing, the development zone shall be deemed established.

(e) The public facilities owner shall have all the rights and powers necessary or convenient to carry out and effectuate this chapter that are consistent with the improvement plan as approved by the municipal governing body, including, but without limiting the generality of the foregoing, the following:

169 (1) to make and enter into all manner of contracts and agreements necessary or incidental to the
170 exercise of any power granted by this chapter including agreements with the municipality, the
171 commonwealth, the agency and any other city, town or political entity or utility for the provision
172 of services that are necessary to the acquisition, construction, operation or financing of the
173 improvements within the development zone;

174 (2) to purchase or acquire by lease, lease-purchase, sale and lease-back, gift or devise, or to
175 obtain or grant options for the acquisition of any property, real or personal, tangible or
176 intangible, or any interest therein, in the exercise of its powers and the performance of its duties;
177 to acquire real estate or any interest therein, within the boundaries of the development zone
178 itself, if authorized in the improvement plan, and to acquire real estate or any interest therein
179 outside the boundaries of the development zone, necessary for the acquisition, construction, and
180 operation of the improvements or services relating thereto that are located within the
181 development zone or are related to, or provided by the public facilities owner;

182 (3) to construct, improve, extend, equip, enlarge, repair, maintain, and operate and administer
183 the improvements for the benefit of the development zone within, or without the development
184 zone; to acquire existing improvements or construct new improvements, including those located
185 under or over any roads, public ways or parking areas, and to enter upon and dig up any private
186 land within the development zone for the purpose of constructing said improvements and of
187 repairing the same;

188 (4) to accept gifts or goods of funds, property or services from any source, public or private, and
189 comply, subject to the provisions of this chapter and the terms and conditions hereof;

190 (5) to sell, lease, mortgage, exchange, transfer or otherwise dispose of, or grant options for any
191 such purposes with respect to any of the improvements, real or personal, tangible or intangible,
192 within the development zone, or serving the development zone or any interest therein;

193 (6) to pledge or assign any money, infrastructure assessments or other revenues relating to any
194 improvements within, or related to the development zone, and any proceeds derived there from;

195 (7) to enter into contracts and agreements with the municipality, the agency, the commonwealth
196 or any political subdivisions thereof, the property owners of the development zone and any
197 public or private party with respect to all matters necessary, convenient or desirable for carrying
198 out the purposes of this chapter including, without limiting the generality of the foregoing, the
199 acquisition of existing improvements (including utilities or infrastructure outside the
200 development zone but benefiting the development zone), collection of revenue, data processing,
201 and other matters of management, administration and operation; to make other contracts of every
202 name and nature; and to execute and deliver all instruments necessary or convenient for carrying
203 out any of its purposes;

204 (8) to exercise the powers and privileges of, and to be subject to the limitations upon,
205 municipalities provided in sections 38 to 42K, inclusive, of chapter 40, chapter 80 and
206 chapter 83, in so far as such provisions may be applicable and are consistent with the provisions
207 of this chapter; provided, however, that any requirement in said chapters for a vote by the

208 governing body of a town or city or for a vote by the voters of a town or city, shall be satisfied
209 by a vote or resolution duly adopted by the board of directors, board of selectmen, city council or
210 town council as the case may be;

211 (9) to invest any funds in such manner and to the extent permitted under the General Laws for
212 the investment of such funds by the treasurer of a municipality;

213 (10) to employ such assistants, agents, employees and persons, including consulting experts as
214 may be deemed necessary in the public facilities owner's judgment, and to fix their
215 compensation, according to the terms of the improvement plan;

216 (11) to procure insurance against any loss or liability that may be sustained or incurred in
217 carrying out the purposes of this chapter in such amount as the public facilities owner shall deem
218 necessary and appropriate with 1 or more insurers who shall be licensed to furnish such
219 insurance in the commonwealth;

220 (12) to apply for any loans, grants or other type of assistance from the United States
221 Government, the commonwealth or any political subdivision thereof that are described in the
222 improvement plan or an amended improvement plan;

223 (13) to adopt an annual budget and to raise, appropriate, and assess funds in amounts necessary
224 to carry out the purposes for which development zone is formed as described in this chapter and
225 the improvement plan; and

226 (14) to do all things necessary, convenient or desirable for carrying out the purposes of this
227 chapter or the powers expressly granted or necessarily implied in this chapter.

228 Section 4. (a) Consistent with the improvement plan, the assessing party, is authorized and
229 empowered to fix, revise, charge, collect and abate infrastructure assessments, for the cost,
230 maintenance, operation ,and administration of the improvements imposed on the real estate,
231 leaseholds or other interests therein, located in the development zone. All real estate within a
232 development zone owned by the commonwealth or any political subdivision, political
233 instrumentality, agency or public authority thereof shall be exempt from such charges unless
234 such charges are specifically accepted by the commonwealth or such political subdivision,
235 political instrumentality, agency or public authority. In providing for the payment of the cost of
236 the improvements or for the use of the improvements, the assessing party may avail itself of the
237 provisions of the General Laws relative to the assessment, apportionment, division, fixing,
238 reassessment, revision, abatement and collection of infrastructure assessments by cities and
239 towns, or the establishment of liens therefore and interest thereon, and the procedures set forth in
240 sections 5and 5A of chapter 254 of the General Laws for the foreclosure of liens arising under
241 section 6 of chapter 183A of the General Laws, as it shall deem necessary and appropriate for
242 purposes of the assessment and collection of infrastructure assessments. The assessing party
243 shall file copies of the improvement plan and any amendments thereof, and all schedules of
244 assessments with the appropriate registry of deeds and the municipality's assessors' records so
245 that notice thereof would be reported on a municipal lien certificate for any real estate parcel
246 located in a development zone. Notwithstanding any general or special law to the contrary, the

assessing party may pay the entire cost of any improvements, including the acquisition thereof, during construction or after completion, or the debt service of notes or bonds used to fund such costs, from infrastructure assessments, and may establish said infrastructure assessments prior to, during, or within 1 year after completion of construction or acquisition of any improvements. The assessing party may establish a schedule for the payment of infrastructure assessments not to exceed 35 years. The assessing party may determine the circumstances under which the infrastructure assessments may be increased, if at all, as a consequence of delinquency or default by the owner of a parcel within the development zone. To provide for the collection and enforcement of its infrastructure assessments, the assessing party is hereby granted all the powers and privileges with respect thereto held by the municipality on the effective date of this chapter or as otherwise provided in this chapter, to be exercised concurrently with the municipality.

The infrastructure assessments of general application authorized by this chapter may only be increased for administrative expenses in excess of the infrastructure assessments described in the improvement plan, and shall be in accordance with the procedures to be established by the assessing party for assuring that interested persons are afforded notice and an opportunity to present data, views and arguments. The assessing party shall hold at least 1 public hearing on its schedule of infrastructure assessments or any revision thereof prior to adoption by the assessing party, notice of which shall be delivered to the municipality and be published in a newspaper of general circulation in the municipality at least 14 days in advance of the hearing. No later than the date of such publication, the assessing party shall make available to the public and deliver to the municipality the proposed schedule of infrastructure assessments.

The infrastructure assessments established by the assessing party shall not be subject to supervision or regulation by any department, division, commission, board, bureau, or agency of the commonwealth or any of its political subdivisions, including without limitation, the municipality, if it is not the assessing party, nor shall the assessing party be subject to the provisions of sections 20A and 21C of chapter 59.

Notwithstanding any general or special law to the contrary, the assessing party may contract with one or more persons for any services required by the assessing party regarding the assessment, apportionment, division, fixing, reassessment, revision, collection and enforcement of infrastructure assessments hereunder, and the fees, costs and other expenses thereof shall be included in the calculation of the infrastructure assessments levied by the assessing party hereunder.

The infrastructure assessments established by the assessing party in accordance with this chapter shall be fixed and adjusted in respect of the aggregate thereof so as to provide revenues at least sufficient to: (i) to pay the administrative expenses of the assessing party; (ii) to pay the principal of, premium, if any, and interest on bonds, notes or other evidences of indebtedness of the agency under this chapter as the same becomes due and payable; (iii) to create and maintain such reasonable reserves as may be reasonably required by any trust agreement or resolution securing bonds; (iv) to provide funds for paying the cost of necessary maintenance, repairs, replacements and renewals of the improvements; and (v) to pay or provide for any amounts that the agency may be obligated to pay or provide for by law or contract, including any resolution or

contract with or for the benefit of the holders of its bonds and notes, provided that the assessing party shall not be required to increase any infrastructure assessments by virtue of any individual property owner delinquencies.

Notwithstanding any general or special law to the contrary, the agency shall not be precluded from carrying out its obligations under this chapter if it has previously provided technical, real estate, lending, financing, or other assistance to: (i) an infrastructure development project including, but not limited to, a project in which the agency may have a economic interest; (ii) a development zone; or (iii) a municipality associated with, or that may benefit from, an infrastructure development project.

(b) As an alternative to levying infrastructure assessments under any other provisions of this chapter or the General Laws, the assessing party may levy special assessments on real estate, leaseholds, or other interests therein within the development zone to finance the cost of the improvements and the maintenance, repair, replacement and renewal thereof, and the expense of administration thereof. In determining the basis for and amount of the special assessment, the cost of the improvements and the maintenance, repair, replacement and renewal thereof, and the expense of administration thereof, including the cost of the repayment of the debt issued or to be issued by the agency to finance the improvements, may be calculated and levied using any of the following methods that result in fairly allocating the costs of the improvements to the real estate in the development zone:

(1) equally per length of frontage, or by lot, parcel, or dwelling unit, or by the square footage of a lot, parcel or dwelling unit;

(2) according to the value of the property as determined by the municipality's board of assessors; or

(3) in any other reasonable manner that results in fairly allocating the cost, administration and operation of the improvements, according to the benefit conferred or use received including, but not limited to, by classification of commercial or residential use or distance from the improvements.

The assessing party, consistent with the improvement plan, may also provide for the following:

(1) a maximum amount to be assessed with respect to any parcel;

(2) a tax year or other date after which no further special assessments under this section shall be levied or collected on a parcel;

(3) annual collection of the levy without subsequent approval of the assessing party;

(4) the circumstances under which the special assessment levied against any parcel may be increased, if at all, as a consequence of delinquency or default by the owner of that parcel or any other parcel within the development zone;

(5) the circumstances under which the special assessments may be reduced or abated; and

(6) the assessing party may establish procedures allowing for the prepayment of infrastructure assessments under this chapter.

(c) Infrastructure assessments, levied under this chapter shall be collected and secured in the same manner as property taxes, betterments, and assessments and fees owed to the municipality unless otherwise provided by the assessing party and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for such property taxes, betterments and liens owed to the municipality. Any liens imposed by the municipality for the payment of property taxes, betterments and assessments shall have priority in payment over any liens placed on real estate within the development zone.

(d) Notwithstanding any general or special act to the contrary, the agency, the municipality, or any other public facilities owner are each authorized to contract with 1 or more owners of real estate within a development zone to acquire or undertake improvements within the development zone. Upon completion, such improvements shall be conveyed to the public facilities owner, provided that the consideration for said conveyance shall be limited to the cost of said improvements.

Section 5. (a) In addition to the powers granted pursuant to chapter 23G and chapter 40D of the General Laws, the agency is hereby authorized to borrow money and issue and secure its bonds for the purpose of financing improvements as provided in and subject to, the provisions of this chapter; provided further that the provisions of said chapters 23G and 40D of the General Laws shall apply to bonds issued under this section, except that the provisions of subsection (b) of section 8 of said chapter 23G and section 12 of said chapter 40D shall not apply to bonds issued pursuant to this chapter or the improvements financed thereby; and provided further, that the improvements financed by the agency pursuant to this chapter shall constitute a project within the meaning of section 1 of said chapter 23G and section 1 of said chapter 40D, but shall not be considered facilities to be used in a commercial enterprise. With respect to the issuance of bonds or notes for the purposes of this chapter in the event of a conflict between this chapter and chapter 23G, the provisions of this chapter shall control.

Nothing in this chapter shall be construed to limit or otherwise diminish the power of the agency to finance the costs of projects authorized pursuant to said chapter 23G and said chapter 40D within the development zone or the municipality upon compliance with the provisions of said chapter 23G and said chapter 40D.

(b) The agency is hereby authorized and empowered to provide by resolution of its board of directors, from time to time, for the issuance of bonds or notes of the agency for any of the purposes set forth in this chapter. Bonds issued hereunder shall be special obligations payable solely from particular funds and revenues generated from infrastructure assessments levied pursuant to this chapter as provided in such resolution. No bonds or notes shall be issued by the agency pursuant to this chapter until the agency's board of directors has determined that the bonds or notes trust agreement and any related financing documents are reasonable and proper and comply with this chapter. The agency may charge a reasonable fee in connection with the

review of such documentation by its staff and board of directors. Without limiting the generality of the foregoing, such bonds may be issued to pay or refund notes issued pursuant to this chapter, to pay the cost of acquiring, laying, constructing, and reconstructing the improvements. The bonds of each issue shall be dated, shall bear interest at the rates, including rates variable from time to time, and shall mature at the time or times not exceeding 35 years from their date or dates, as determined by the agency, and may be redeemable before maturity, at the option of the agency or the holder thereof, at the price or prices and under the terms and conditions fixed by the agency before the issuance of the bonds. The agency shall determine the form of the bonds, and the manner of execution of the bonds, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the commonwealth and such other locations as designated by the agency. In the event an officer whose signature or a facsimile of whose signature shall appear on any bonds shall cease to be an officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until the delivery. The bonds shall be issued in registered form. The agency may sell the bonds in a manner and for a price, either at public or private sale, as it may determine to be for the best interests of the development zone.

Before the preparation of definitive bonds, the agency may, under like restrictions, issue interim receipts or temporary bonds exchangeable for definitive bonds when the bonds have been executed and are available for delivery. The agency may also provide for the replacement of any bonds that shall become mutilated or shall be destroyed or lost. The issuance of the bonds, the maturities, and other details thereof, the rights of the holders thereof, and the agency in respect of the same, shall be governed by this chapter insofar as the same may be applicable.

While any bonds or notes of the agency remain outstanding, its powers, duties or existence shall not be diminished or impaired in any way that will affect adversely the interests and rights of the holders of such bonds or notes. Bonds or notes issued under this chapter, unless otherwise authorized by law, shall not be deemed to constitute a debt of the commonwealth or the municipality, or a pledge of the faith and credit of the commonwealth or of the municipality, but the bonds or notes shall be payable solely by the agency as special obligations payable from particular funds collected from infrastructure assessments levied pursuant to this chapter and any revenues derived from the operation of the improvements. Any bonds or notes issued by the agency under this chapter, shall contain on the face thereof a statement to the effect that neither the commonwealth, or the municipality, shall be obliged to pay the same or the interest thereon, and that the faith and credit or taxing power of the commonwealth, the municipality, or the agency is not pledged to the payment of the bonds or notes. All bonds or notes issued under this chapter shall have and are hereby declared to have all the qualities and incidents of negotiable instruments as defined in section 3-104 of chapter 106 of the General Laws.

Issuance by the agency of 1 or more series of bonds or notes for 1 or more purposes shall not preclude it from issuing other bonds or notes in connection with the same project or any other project; provided, however, that the resolution or trust indenture wherein any subsequent bonds or notes may be issued shall recognize and protect any prior pledge made for any prior issue of bonds or notes unless in the resolution or trust indenture authorizing such prior issue the right is reserved to issue subsequent bonds on a parity with such prior issue.

(c) In the discretion of the agency, bonds issued pursuant to this chapter may be secured by a trust agreement between the agency and the bond owners or a corporate trustee which may be any trust company or bank having the powers of a trust company within or without the commonwealth. A trust agreement may pledge or assign, in whole or in part, the revenues, funds and other assets or property held or to be received by the assessing party, or the agency including without limitation all monies and investments on deposit from time to time in any fund of the assessing party or the agency or any account thereof and any contract or other rights to receive the same, whether then existing or thereafter coming into existence and whether then held or thereafter acquired by the assessing party or the agency, and the proceeds thereof. A trust agreement may pledge or assign, in whole or in part, development zone revenues, funds and other assets or property relating to the development zone held or to be received by the assessing party or the agency. A trust agreement may contain, without limitation, provisions for protecting and enforcing the rights, security and remedies of the bondholders, provisions defining defaults and establishing remedies, which may include acceleration and may also contain restrictions on the remedies by individual bondholders. A trust agreement may also contain covenants of the agency concerning the custody, investment and application of monies, the issue of additional or refunding bonds, the use of any surplus bond proceeds, the establishment of reserves and the regulation of other matters customarily treated in trust agreements. It shall be lawful for any bank or trust company to act as a depository of any fund of the assessing party or the agency or trustee under a trust agreement, provided it furnishes indemnification and reasonable security as the agency may require. Any assignment or pledge of revenues, funds and other assets and property made by the assessing party or the agency shall be valid and binding and shall be deemed continuously perfected for the purposes of chapter 106 and other laws when made. The revenues, funds and other assets and property, rights therein and thereto and proceeds so pledged and then held or thereafter acquired or received by the assessing party or the agency shall immediately be subject to the lien of such pledge without any physical delivery or segregation or further act, and the lien of any such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the trust, whether or not such parties have notice thereof. The trust agreement by which a pledge is created need not be filed or recorded to perfect the pledge except in the records of the agency and no filing need be made pursuant to said chapter 106. Any pledge or assignment made by the agency is an exercise of its political and governmental powers, and revenues, funds, assets, property and contract or other rights to receive the same and the proceeds thereof which are subject to the lien of a pledge or assignment created under this chapter shall not be applied to any purposes not permitted by the pledge or assignment.

(d) The agency is hereby authorized and empowered to issue, from time to time, notes of the agency in anticipation of federal, state or local grants for the cost of acquiring, constructing or improving the development zone's improvements or in anticipation of bonds to be issued pursuant to this chapter. Said notes shall be authorized, issued and sold in the same manner as, and shall otherwise be subject to the other provisions of this chapter. Such notes shall mature at such time or times as provided by the issuing resolution of the agency and may be renewed from time to time; provided, however, that all such notes and renewals thereof shall mature on or prior to 20 years from their date of issuance.

(e) In addition to other security provided herein, or otherwise by law, bonds, notes or obligations issued by the agency under any provision of this chapter, may be secured, in whole or in part, by a letter of credit, line of credit, bond insurance policy, liquidity facility or other credit facility for the purpose of providing funds for payments in respect of bonds, notes or other obligations required by the holder thereof to be redeemed or repurchased prior to maturity or for providing additional security for such bonds, notes or other obligations. In connection therewith, the agency may enter into reimbursement agreements, remarketing agreements, standby bond purchase agreements and any other necessary or appropriate agreements. The assessing party may pledge or assign any of its revenues as security for the reimbursement by the it to the agencies or providers of such letters of credit, lines of credit, bond insurance policies, liquidity facilities or other credit facilities of any payments made under the letters of credit, lines of credit, bond insurance policies, liquidity facilities or other credit facilities.

(f) In connection with, or incidental to, the issuance of bonds, notes or other obligations, the agency may enter into such contracts as the agency may determine to be necessary or appropriate relative to the issuance thereof and the interest payable thereon or to place the bonds, notes or other obligations of the agency, as represented by the bonds or notes, or other obligations in whole or in part, on such interest rate or cash flow basis as the agency may determine appropriate, including without limitation, interest rate swap agreements, insurance agreements, forward payment conversion agreements, futures contracts, contracts providing for payments based on levels of, or changes in, interest rates or market indices, contracts to manage interest rate risk, including without limitation, interest rate floors or caps, options, puts, calls and similar arrangements. Such contracts shall contain such payment, security, default, remedy and other terms and conditions as the agency may deem appropriate and shall be entered into with such party or parties as the agency may select, after giving due consideration, where applicable, for the credit worthiness of the counter party or counter parties, including any rating by a nationally recognized rating agency, the impact on any rating on outstanding bonds, notes or other obligations or any other criteria the agency may deem appropriate.

(g) The agency shall have the power out of any funds available therefore to purchase its bonds or notes. The agency may hold, pledge, cancel or resell such bonds or notes, subject to and in accordance with agreements with bondholders. The agency may issue refunding bonds for the purpose of paying any of its bonds at maturity or upon acceleration or redemption. Refunding bonds may be issued at such time or times prior to the maturity or redemption of the refunded bonds as the agency deems to be in the public interest. Refunding bonds may be issued in sufficient amounts to pay or provide for the principal of the bonds being refunded, together with any redemption premium thereon, any interest accrued or to accrue to the date of payment of such bonds, the expense of issuing the refunding bonds, the expense of redeeming bonds being refunded and such reserves for debt service or other capital from the proceeds of such refunding bonds as may be required by a trust agreement or resolution securing the bonds and, if considered advisable by the agency, for the additional purpose of the acquisition, construction or reconstruction and extension or improvement of improvements. All other provisions relating to the issuance of refunding bonds shall be as set forth in this chapter insofar as the same may be applicable.

(h) All moneys received pursuant to the provisions of this chapter, whether as proceeds from the issue of bonds or notes, or as revenue or otherwise, shall be deemed trust funds to be held and applied solely as provided in this chapter.

(i) Bonds or notes issued under this chapter are hereby made securities in which all public officers and public bodies of the commonwealth and its political subdivisions, all insurance companies, trust companies in their commercial departments and within the limits set by the General Laws, banking associations, investment companies, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control and belonging to them; and the bonds are hereby made obligations that may properly and legally be made eligible for the investment of savings deposits and income thereof in the manner provided by section 2 of chapter 167E. The bonds or notes are hereby made securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the commonwealth for any purpose for which the deposit of bonds or other obligations of the commonwealth is now or may hereafter be authorized by law.

Notwithstanding any general or special law to the contrary, or any provision in their respective charters, agreements of associations, articles or organization, or trust indentures, domestic corporations organized for the purpose of carrying on business within the commonwealth, including without implied limitation any electric or gas company as defined in section 1 of chapter 164, railroad corporations as defined in section 1 of chapter 160, financial institutions, trustees and the municipality may acquire, purchase, hold, sell, assign, transfer, or otherwise dispose of any bonds, notes, securities or other evidence of indebtedness of the agency provided that they are rated similarly to other governmental bonds or notes, and to make contributions to the agency, all without the approval of any regulatory authority of the commonwealth.

(j) Any holder of bonds or notes issued under this chapter, and a trustee under a trust agreement, except to the extent its rights may be restricted by the trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce all rights under the laws of the commonwealth or granted hereunder or under the trust agreement, and may enforce and compel the performance of all duties required by this chapter or by the trust agreement, to be performed by the agency or by any officer thereof.

(k) Notwithstanding any of the provisions of this chapter or any recitals in any bonds or notes issued under this chapter, all such bonds or notes shall be deemed to be investment securities under the provisions of chapter 106.

(l) Bonds or notes may be issued under this chapter without obtaining the consent of any department, division, commission, board, bureau or agency of the commonwealth or the municipality, and without any proceedings or the happening of any other conditions or things than those proceedings, conditions or things that are specifically required thereof by this chapter, and the validity of and security for any bonds or notes issued by the agency shall not be affected by the existence or nonexistence of any such consent or other proceeding conditions, or things.

532 Section 6. Bonds or notes issued by the agency and their transfer and their interest or income,
533 including any profit on the sale thereof, and the improvements belonging to the public facilities
534 owner shall at all times be exempt from taxation within the commonwealth, provided that
535 nothing in this chapter shall act to limit or restrict the ability of the commonwealth or the
536 municipality to otherwise tax the individuals and companies, or their real or personal property or
537 any person living or business operating within the boundaries of the development zone.

538 Section 7. For purposes of this chapter, the agency may also issue bonds secured by
539 infrastructure assessments pursuant to and according to the terms of chapter 40Q of the General
540 Laws. With the approval of the municipal governing body and the Massachusetts Economic
541 Assistance Coordinating Council, the agency may issue its bonds in place of those of the
542 municipality pursuant to, and according to the terms of chapter 40Q, provided that the
543 municipality has fulfilled all requirements set forth in said chapter 40Q that would be required of
544 the municipality if it were itself issuing bonds pursuant to said chapter 40Q. In addition, the
545 municipality shall include in its “invested revenue district development program” as defined in
546 said chapter 40Q, a description of the rights and responsibilities of the assessing party, the
547 agency and the municipality with respect to said program. In such case, the municipality may
548 designate the agency as the issuer of bonds pursuant to said chapter 40Q for the purpose of
549 financing any of the “project costs” as defined in said chapter 40Q and that are located in, or
550 functionally serving the needs of the development zone. The municipality shall determine the
551 percentage of the “captured assessed valuation,” as defined in said chapter 40Q, of property
552 within the boundaries of the development zone that the municipality is pledging pursuant to an
553 invested revenue district development program as defined in said chapter 40Q for the payment of
554 the agency’s bonds. With the written agreement of the person or persons owning 1 or more
555 specific tax parcels in the development zone, the assessing party may adopt a plan whereby any
556 of the assessing powers described in this chapter are made applicable exclusively to said parcels
557 in order to secure and fund the debt service for the bonds. The “project costs” as defined in said
558 chapter 40Q, shall not be reduced by the amount of the revenues derived pursuant to this chapter
559 and said revenues derived from such a plan, may be made contingent upon or abated, in whole or
560 in part, by the assessing party upon the receipt of the anticipated revenues generated through the
561 pledged captured assessed valuation. At its option, the municipality may waive any adjustment
562 for the “inflation factor” described in said chapter 40Q, in order to increase the captured assessed
563 valuation available to finance improvements benefiting the development zone. The assessing
564 party, the agency and the municipality shall enter into an agreement delineating the rights and
565 responsibilities of each pursuant to such district improvement financing.

566 Section 8. The agency may make representations and agreements for the benefit of the holders
567 of the agency’s bonds and notes or other obligations to provide secondary market disclosure
568 information. The agreement may include: (1) covenants to provide secondary market
569 disclosure information (2) arrangements for such information to be provided with the assistance
570 of a paying agent, trustee, dissemination or other agent; and (3) remedies for breach of the
571 agreements, which remedies may be limited to specific performance.

572 Section 9. The collector-treasurer of each municipality, at the option of the municipality and the
573 agency, may collect any infrastructure assessments including any recording fees, on behalf of the
574 agency pursuant to an agreement between the municipality and the agency and to disburse the

575 funds to any designated management entity or financial institution selected by agency. The
576 collector-treasurer shall disburse revenues to the management entity or financial institution
577 within 30 days of the collection of such fees, together with the interest earned on the holding of
578 such fees.

579 Section 10. (a) This chapter shall be considered to provide an exclusive, additional, alternative
580 and complete method of accomplishing the purposes of this chapter and exercising the powers
581 authorized hereby and shall be considered and construed to be supplemental and additional to,
582 and not in derogation of, powers conferred upon the agency, the assessing party or the public
583 facilities owner, by law; but, insofar as the proceedings of this chapter are inconsistent with any
584 general or specific law, administrative order or regulation, or any resolution or ordinance of the
585 municipality, this chapter shall be controlling. Without limiting the generality of the foregoing,
586 no provision of any resolution or ordinance of the municipality requiring ratification by the
587 voters of certain bond issues shall apply to the issuance of bonds or notes of the agency pursuant
588 to this chapter, nor shall be applicable to the manner of voting or the limitations as to the amount
589 and time of payment of debts incurred by the agency.

590 (b) Except as specifically provided in this chapter, all other statutes, ordinances, resolutions,
591 rules and regulations of the commonwealth and the municipality shall be fully applicable to the
592 property, property owners, residents and businesses located in the development zone. This
593 chapter shall not obligate the municipality or the agency to pay any costs for the acquisition,
594 construction, equipping or operation and administration of the improvements located within the
595 development zone.